

## **Early Consideration Date Extended to April 29, 2010 and Alternative Tender Procedures Introduced for Offer for Certain Securities Insured by Financial Guaranty Insurance Company ("FGIC")**

NEW YORK, April 14, 2010 – Sharps SP I LLC (the "Offeror") today announced alternative procedures for tendering residential mortgage-backed securities and asset-backed securities insured by Financial Guaranty Insurance Company ("FGIC") (collectively, the "Eligible Insured Securities") in the Offeror's offer to exchange Eligible Insured Securities that may be available to some custodians and brokers tendering on behalf of multiple holders of Eligible Insured Securities that may facilitate the tendering process. The Offeror also announced that it has extended the early consideration date and the expiration date for the offer.

### **Alternative procedures for tendering Eligible Insured Securities available for custodians tendering on behalf of multiple holders**

Due to logistical issues associated with the tender process for the offer, alternative procedures for tendering Eligible Insured Securities have been developed, which may be available for brokers, custodians or other persons or entities tendering on behalf of multiple holders of Eligible Insured Securities ("Tendering Custodians"). These alternative procedures may facilitate Tendering Custodians opening multiple accounts and tendering on behalf of multiple holders. Tendering Custodians may contact the depository as indicated in the offering memorandum regarding the applicability of any alternative procedures to such Tendering Custodian.

### **Extension of the Early Consideration Date; Expiration Date; Withdrawal Rights**

The Offeror is extending the early consideration date and the expiration date for the offer and the date until which withdrawal rights are available to all holders. The early consideration date, which is the last time for holders to tender their Eligible Insured Securities in the offer in order to be eligible to receive the consent fee calculated by reference to the unpaid principal balance of their Eligible Insured Securities as of February 28, 2010, has been extended to 11:59 p.m., New York City time, on April 29, 2010. The withdrawal deadline, which is the last time for holders to validly withdraw tendered Eligible Insured Securities, has been extended to 11:59 p.m., New York City time, on April 29, 2010. The expiration date, which is the last time for holders to tender Eligible Insured Securities in the offer, has been extended to 11:59 p.m., New York City time, on May 13, 2010.

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The offer is being conducted only with qualified institutional buyers ("Qualified Institutional Buyers") as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act") that are also qualified purchasers ("Qualified Purchasers") as defined in Section 2(a)(51) under the Investment Company Act of 1940, as amended. The certificates that may be issued pursuant to the offer have not been and, at the time of the closing of the transaction, will not be registered under the Securities Act or any state securities laws. The certificates may not be offered, sold or transferred in or outside of the United States except in reliance on the exemption from the registration requirements of the Securities Act afforded by Rule 144A thereunder and in accordance with applicable state and foreign securities laws to Qualified Institutional Buyers that are also Qualified Purchasers.

This press release does not constitute an offer to purchase any securities or a solicitation of an offer to sell any securities. The offers are being made only pursuant to an offer to exchange and related letter of transmittal and only to such persons and in such jurisdictions as are permitted under applicable law.

About FGIC

FGIC is a wholly owned subsidiary of FGIC Corporation, an insurance holding company. Please visit [www.fgic.com](http://www.fgic.com).

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### **FORWARD-LOOKING STATEMENTS**

This press release contains "forward-looking statements" – that is, statements related to possible future events. Forward-looking statements often address expectations and beliefs as to future performance, results and business plans. You should not place undue reliance on forward-looking statements because they speak only as of the date they are made and are necessarily subject to risks and uncertainties that could cause actual results and performance to differ materially from those expressed or implied by such forward-looking statements. Among the factors that could

cause FGIC's actual results or performance to differ are, without limitation: (1) FGIC's ability to close the offer within the time frame and on the terms required by the NYID or otherwise; (2) FGIC's current negative policyholders' surplus and FGIC's ability to restore and maintain the statutory required minimum policyholders' surplus even if it closes the offer and other contemplated restructuring transactions; (3) the extent to which FGIC is able to pursue and achieve other strategic alternatives, either with or without the participation of potential investors and other third parties; (4) the results of FGIC's other loss mitigation efforts, including FGIC's ability to consummate contemplated transactions with certain counterparties on certain credit default swaps and other obligations insured by FGIC; (5) a decision by the NYID or FGIC's other regulators to take further regulatory action such as rehabilitation or liquidation of FGIC by the NYID at any time due to FGIC's current failure to maintain the statutory required minimum policyholders' surplus or otherwise; (6) legislative and regulatory developments within the United States and abroad, including the effect of new pronouncements by accounting authorities; (7) fluctuations in the economic, credit, interest rate or other environments in the United States or abroad; (8) potential consequences of FGIC's continued suspension of claims payments or FGIC's inability to recommence claims payments such as the risk of defaults under FGIC-insured credit default swaps, FGIC Corporation's and FGIC's revolving credit agreement and FGIC Corporation's senior notes indenture, non-payment of premiums and other amounts owed to FGIC and possible limitations on FGIC's rights under other agreements; (9) higher losses on FGIC-insured obligations due to deterioration in the performance of residential mortgage loans or otherwise; (10) possible defaults and/or additional ratings downgrades or other adverse actions with respect to mortgage-backed securities or other obligations insured by FGIC; (11) the commencement of new litigation or the outcome of current and new litigation; (12) further deterioration in general economic conditions, including as a result of the financial crisis as well as inflation, interest rates, foreign currency exchange rates and other factors and the effects of disruption or economic contraction due to catastrophic events or terrorist acts; and (13) other risks and uncertainties that have not been identified by FGIC at this time. Forward-looking statements are based upon FGIC management's current expectations and beliefs concerning future events. FGIC undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.